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Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

Revision of Part 2 of the Commission's rules  
relating to the marketing and authorization of  
radio frequency devices

ET Docket No. 94-<sup>45</sup>~~95~~

RM-8125

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Reply Comments of Northern Telecom Inc.

Northern Telecom Inc. ("Northern Telecom") hereby replies to some of the comments on the Commission's proposal to modify its rules concerning the marketing of radio devices.<sup>1/</sup> Northern Telecom is the leading global supplier, in 90 countries, of digital telecommunication switching systems, providing products and services to the telephone operating companies, governments, universities and other institutions worldwide. The company employs more than 22,000 people in the U.S. in manufacturing plants, research and development centers, and in marketing, sales and service offices across the country.

In February 1991, Northern Telecom established a wireless systems organization that has as its objective the development of new wireless technologies and services to meet marketplace demands throughout the world. In recognition of the growing importance of wireless communications, this group has been made comparable in

<sup>1/</sup> Revision of Part 2 of the Commission's Rules Relating to the Marketing and Authorization of Radio Frequency Devices, 9 FCC Rcd 2702 (1994) ("Notice").

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organizational stature to the company's historical public and private network product line groups.

Northern Telecom recognizes that wireless systems will play an important role in the global telecommunications infrastructure. Services such as PCS hold forth great promise because of their ability to enhance economic efficiency and contribute to a vibrant economy through the creation of new jobs. Thus, Northern Telecom supports the Commission's proposal to harmonize, and to some extent relax, the current restrictions on marketing that apply to manufacturers of radio frequency devices. The present restrictions are overly complex and not uniformly applied.

The manifold benefits of wireless services will be retarded or delayed if regulatory confusion and restrictions unnecessarily impede the deployment of new services to the public. The proposals in the Notice strike a proper balance by allowing for more efficient marketing of wireless equipment while minimizing the risk that such activities might cause harmful interference. Thus, Northern Telecom echoes the general support for the Notice's proposals that were voiced in the initial comments in this proceeding.

In addition, Northern Telecom agrees with Ericsson that there should be a parallel between the rules governing import of equipment for limited marketing and testing purposes, and the new marketing and testing rules that the Commission has proposed.<sup>2/</sup> In light of different states of development of services elsewhere in the world, there may be occasions when companies would find it more efficient to import prototypes here prior to initiating production in this country. While it is implicit that equipment that can be marketed or tested under particular circumstances could also be imported into this country for that

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<sup>2/</sup> Comments of Ericsson at p. 4.

limited purpose, the language suggested by Ericsson would eliminate any ambiguity.

Northern Telecom thus urges the Commission to adopt the Ericsson proposal.

Northern Telecom also supports the suggestion of IBM that would slightly modify the proposed rules to allow the sale of pre-authorization or pre-verification prototype equipment under certain circumstances.<sup>3/</sup> As IBM observes, manufacturers gain valuable information from beta testing of products by customers. Precluding a manufacturer from selling such prototype equipment significantly reduces the attractiveness of such programs, however. Northern Telecom believes that it makes little sense to allow such operations (as proposed in the Notice), while denying manufacturers an opportunity to recoup some of the costs of those programs by selling rather than giving away that equipment. Thus, Northern Telecom urges the Commission to adopt the suggestion of IBM.

Northern Telecom disagrees with the comments of E.F. Johnson urging the Commission to limit the new marketing rules to preclude them from applying to equipment that is subject to authorization under type acceptance.<sup>4/</sup> Northern Telecom believes that the same needs for and benefits of beta testing of prototypes, early marketing activities, working closely with customers and exhibiting at trade shows will apply to these kinds of devices. Furthermore, Northern Telecom does not anticipate any greater risk of harmful interference from these particular devices through the limited "relaxation" proposed by the Commission. Thus, Northern Telecom urges the Commission to reject the proposal of E.F. Johnson to restrict the applicability of the proposed marketing regulations.

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<sup>3/</sup> Comments of IBM at pp. 3-5.

<sup>4/</sup> Comments of E.F. Johnson at pp. 3-4.

Finally, Northern Telecom disagrees with the suggestion of AT&T that it should be necessary to obtain experimental licenses in order to operate pre-approval radio frequency devices at trade shows.<sup>5/</sup> As Chairman Hundt recently observed, the Commission is undertaking efforts to streamline the processing of applications in light of the severe strain on Commission and applicant resources under the current provisions.<sup>6/</sup> It makes very little sense to further exacerbate those problems by requiring a new flood of experimental applications that will seek authority to operate in a restricted area for a very limited amount of time.

Northern Telecom does not believe that the limited ability to operate devices at trade shows will cause significant harmful interference. Manufacturers recognize their obligation not to interfere, and will be demonstrating equipment that is designed to operate in conformance with Commission requirements. In addition, given the relative sophistication of the customers (and competitors) who will be attending these types of trade shows, detection of abuses is highly likely (thus limiting the likelihood of any abuse being attempted). In light of the limited risk of additional interference, as well as the certainty of additional regulatory delay from requiring experimental licenses in these limited situations, Northern Telecom urges the Commission to reject AT&T's suggestion.<sup>7/</sup>

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<sup>5/</sup> Comments of AT&T Corp. at pp. 3-4.

<sup>6/</sup> Remarks of Chairman Hundt to the PCIA Annual Conference, September 23, 1994.

<sup>7/</sup> As an alternative, the Commission could consider a requirement of advanced notification, whereby a manufacturer would provide the Commission (possibly the FCC Field Office where the trade show will occur) with information indicating an intent to use the equipment and describing the expected transmissions (e.g., frequencies to be used), but that no advance approval or license would be necessary. In this manner, the Commission would have information readily available in case problems are reported.

In sum, Northern Telecom believes that the proposed rules set forth in the Notice, as modified slightly by the suggestions of IBM and Ericsson, will well serve the public interest.

Respectfully Submitted,



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Dated: October 4, 1994

## CERTIFICATE OF SERVICE

I, Katherine H. Rasdorf, hereby certify that on the 4th day of October 1994, a true copy of the foregoing Reply Comments of Northern Telecom Inc. was mailed, postage prepaid, to:

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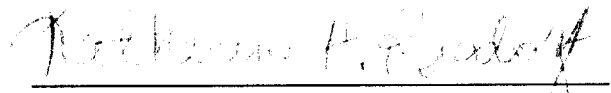
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